GOVERNMENT OF TELANGANA
ABSTRACT

Energy Department – Proposal for setting up of 1500 MWH (375MWx4Hrs) Standalone BESS Project by TG GENCO – Approved – Orders – Issued.

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Energy (Power.I) Department

G.O.Ms.No.41 **Dated.17.11.2025**

Read the following:

1) G.O.Rt.No.40, Energy (Power.I) Department, Dated. 09.09.2025
2) From the Director (NRE/RCM), Ministry of Power, GoI, F.No.48-15/7/2025-NRE Section, Dated. 09.06.2025.
3) From the CMD, TGGENCO, Lr.No.CMD/Dir.(Hydel)/ TGGENCO/ BESS / D.No.61/2025, Dated. 13.10.2025
4) Government letter.No.1457/Power.I/2025, Dated. 28.10.2025.
5) From the CMD, TGGENCO, Lr.No.CMD/Dir.(Hydel)/TGGENCO/ BESS/ D.No.69/2025, Dated. 15.11.2025.

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O R D E R:

In the reference 3rd read above, the Chairman & Managing Director, TGGENCO has informed that the Ministry of Power in the reference 2nd read above, allocated 1500 MWH BESS project to Telangana under VGF supported through Power System Development Fund (PSDF) @18 Lakhs per MWH. Further TGGENCO Board has approved for setting up the 1500MWH(375MWX4Hrs) BESS project at available empty lands of the following 2 Nos. 400KV/220KV Substations pertains to TGTRANSCO under Tariff Based Global Competitive Bidding (TBGCB)under VGF supported through PSDF under BOO model with 15 years tenure:

Sl.No	Location	Proposed Capacity
1	400KV/220KV Substation, Maheswaram	750MWH (187.5MWX4Hrs)
2	400KV/220KV Substation, Choutuppal	750MWH (187.5MWX4Hrs)

2. The Chairman & Managing Director, TGGENCO has requested to accord approval for establishment of BESS project of 1500MWH BESS by TGGENCO.

3. The Chairman & Managing Director, TGGENCO on the advise of the Government in the reference 4th read above, to evaluate whether co-locating BESS with solar is advantageous in terms of cost/benefits or standalone system around city is better before taking up the project.

4. In the reference 5th read above, the TGGENCO has submitted that Solar projects in Telangana are developed under a distributed network model, spread across different districts. To co-locate a solar plant of suitable capacity for the proposed BESS, approximately 700 acres of land would be required. Considering the high land prices around Hyderabad and nearby zones, TGGENCO also does not possess adequate land at its existing project locations for developing co-located BESS with solar. Even if additional land is considered for acquisition, the process would be time-consuming. As per the MoP Order dated 09.06.2025, agreements for BESS projects must be concluded within 9 months, i.e., by 08.03.2026, making co-located development impractical within the prescribed timeframe.

5. The Chairman & Managing Director, TGGENCO stated that standalone BESS can be installed at multiple strategic locations and functions independently of any generating source, making it easier to integrate within the existing transmission network. Such systems can charge from the grid during off-peak hours at lower electricity prices i.e Rs.2.90 per unit approx.. (including power sourced from the open market) and discharge during peak hours, reducing peak power purchase costs. In contrast, a co-located BESS would require entering into a PPA with the solar developer and the charging tariff would be governed by the PPA, limiting operational and cost flexibility.

p.t.o

6. The Chairman & Managing Director, TGGENCO has therefore requested for approval to proceed with the establishment of the Standalone 1500MWh (375MW × 4Hrs) BESS Project at the available vacant lands of two 400/220 kV TGTRANSCO substations under TBGCB, supported by VGF through PSDF, under the BOO (Build, own, operate) model with a 15-year tenure.

7. Government after careful examination of the matter, hereby agreed with the proposal of the Chairman & Managing Director, TGGENCO and approves for the setting up of the 1500 MWh (375MWx4Hrs) standalone BESS project at the available lands of 400/220kv substations pertaining to TGTRANSCO under Tariff based Global competitive bidding (TBGCB) under VGF supported through PSDF under BOO(Build, own, operate) Model with 15 years tenure.

8. The Chairman & Managing Director, TGGENCO is requested to take further action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

NAVIN MITTAL
PRINCIPAL SECRETARY TO GOVERNMENT

To,
The Chairman & Managing Director, TGGENCO, Hyderabad.
The Chairman & Managing Director, TGTRANSCO, Hyderabad
The Vice Chairman & Managing Director, TGREDCO, Hyderabad
Copy to:
PS to Principal Secretary to Hon'ble Chief Minister
OSD to Hon'ble Deputy Chief Minister (Energy)
The G.A. (Cabinet) Department, TG Secretariat, Hyderabad
PS to Principal Secretary to Government, Energy Department.
Sf/scs (C.No.1457/Power.I/2025)

//FORWARDED BY ORDER//

SECTION OFFICER